



COUNTY OF LOS ANGELES
DEPARTMENT OF PARKS AND RECREATION

"Parks Make Life Better!"

Russ Guiney, Director

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October 08, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF A PARK MOWING SERVICES CONTRACT
WITH OAKRIDGE LANDSCAPE INC.
FOR WHITTIER NARROWS RECREATION AREA
(SUPERVISORIAL DISTRICT 1) (3 VOTES)**

SUBJECT

Approval of the recommended actions will allow the Department of Parks and Recreation to award a Park Mowing Services Contract to Oakridge Landscape Inc., for the Whittier Narrows Recreation Area.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the approval of the Park Mowing Services Contract with Oakridge Landscape Inc. is categorically exempt from the California Environmental Quality Act because the Park Mowing Services Contract consists of mowing of existing lawns for the reasons stated herein and the reasons reflected in the record of the Contract.
2. Find that the recommended Park Mowing Services Contract can be more economically performed by an independent contractor than by County of Los Angeles employees for the Whittier Narrows Recreation Area.
3. Approve and instruct the Chairman to sign a Park Mowing Services Contract with Oakridge Landscape Inc., for the Whittier Narrows Recreation Area, for an annual base Contract cost of \$174,877, for a term of five years with three one-year renewal options, for a maximum potential term of eight years, and an anticipated total maximum Contract cost of \$1,399,016, effective December 1, 2013. This amount does not include the Cost of Living Adjustments, if any, to be exercised by the

Director of the Department of Parks and Recreation.

4. Authorize the Director of the Department of Parks and Recreation to exercise the three Contract renewal options annually, if in the opinion of the Director, the Contractor has successfully performed the previous contract period and the services are still required and are cost effective. Such renewal may include a Cost of Living Adjustment, per option year, subject to approval by the Chief Executive Office.

5. Authorize the Director of the Department of Parks and Recreation to increase the Whittier Narrows Recreation Area Mowing Services Contract cost by ten percent, as needed, during each Contract year, totaling up to \$17,488, as a contingency amount, for unforeseen services/emergencies and/or additional work within the scope of the Contract, which could increase the total annual Contract amount to a maximum of \$192,365.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended Contract is for park mowing services for the Whittier Narrows Recreation Area. The private sector has been providing park mowing services for the Whittier Narrows Recreation Area since 1990. This is part of the continuing effort on behalf of the Department of Parks and Recreation (Department) to provide the best possible service to the public in a cost-effective manner.

The Department's cost analysis shows that services can be performed more economically by an independent Contractor (Attachments I, II, III). The proposed contracted services will enable the Department to continue to provide park mowing services at the present service level, which will ensure park patrons enjoyment of the Whittier Narrows Recreation Area, upon expiration of the current term extension, resulting in continued savings to the County of Los Angeles (County).

Implementation of Strategic Plan Goals

The recommended Contract will further the County's Strategic Plan Goals of Operational Effectiveness (Goal 1), by maximizing the effectiveness of park mowing services, structure and operations to support timely delivery of customer-oriented and efficient public services, and; Fiscal Sustainability (Goal 2), by strengthening and enhancing the County's capacity to sustain essential County services through proactive and prudent fiscal policies and stewardship.

FISCAL IMPACT/FINANCING

In accordance with County policy, the Contract contains a Cost of Living Adjustment (COLA) provision, based on an annual rate, as determined by the Chief Executive Office (CEO), whereby the Director of Parks and Recreation (Director), at his sole discretion, may increase the Contractor's compensation during the option years. The COLA rate is capped at the lesser of the most recently published percentage change in the Bureau of Labor Statistics, Los Angeles-Riverside-Orange County, Consumer Price Index for Urban Consumers for the 12-month period preceding the Contract anniversary date; or the general salary movement percentage for County employees for the 12-month period preceding the prior July 1st.

The decision to include the COLA is based on the Department's experience, that the Contractor may incur an increase in costs, such as insurance premiums, fuel, etc., during the option years, which could impact their performance. As a result, this provision allows the Director to review cost information, during the option years, to determine if the COLA is justified, subject to approval by the

CEO. The Department will comply with the newly adopted Board policy to exclude the cost of labor from the base upon which a COLA is calculated, unless the Contractor can show that their labor cost will actually increase.

The Proposition A cost analysis indicates that the recommended Contract for park, mowing services can be performed more economically by the private sector (Attachments I, II, III). The total County cost to provide park mowing services at the Whittier Narrows Recreation Area by County staff would be \$348,789 annually. The recommended Contractor's direct cost to perform similar services is \$174,877 annually. This reflects an annual savings of \$173,912.

The following are the recommended potential maximum Contract costs for:

- Initial term of five years: \$874,385.
- Initial term of five years plus the three option years: \$1,399,016.
- Initial term of plus the three option years plus the annual 10 percent contingency: \$1,538,918.

The Department will not request that the Contractor perform services that will exceed the approved maximum Contract amount, which may include the ten percent contingency fee or COLA increase, without the prior approval of the Board.

OPERATING BUDGET IMPACT

Based on the recommended actions, the base Contract cost will decrease from an annual amount of \$211,434 to \$174,877 for a decrease of \$36,557. The Department is currently working with the Chief Executive Office to determine appropriate levels of funding for its maintenance contracts. The savings from the proposed contract will be considered in this study and then addressed in the Department's Budget Request.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Proposition A cost analysis indicates that the recommended contracted park mowing services can be performed more economically by the private sector (Attachments I, II and III).

The Contractor has agreed to comply with the County's Living Wage Program and Proposition A requirements. The Contract complies with all of the requirements of the Los Angeles County Code, Section 2.201 and Chapter 2.121.

In compliance with the provisions of Los Angeles County Code Sections 2.121.250 through 2.121.420, the Department solicited proposals from private contractors for park mowing services for the Whittier Narrows Recreation Area.

The mandatory requirements for contracting as identified in Section 2.121.380 of the County Code have been met.

Proposition A contracts valued under \$1 million are no longer reviewed by the County's Auditor-Controller for cost-effectiveness, as stated in their memo of October 2, 2003. Therefore, the Proposition A cost analysis was performed internally using the guidelines and methodologies consistent with the Auditor-Controller procedures.

The award of this Contract will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. This Contract contains terms and conditions supporting your Board's ordinances, policies, and programs, including but not limited

to: County's Greater Avenues for Independence (GAIN) and General Relief Opportunities for Work (GROW) Programs, Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code Chapter 2.202; Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; and the standard Board-directed clauses that provide for Contract termination or renegotiation.

The California State Department of Industrial Relations, Division of Labor Standards Enforcement, has returned its report indicating no negative information on the Contractor.

The County maintains databases that track and monitor Contractor's performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a Contract term extension option. No negative information was found for this Contractor.

The Contractor has executed the attached Contract and will provide the required insurance policies prior to the start of this Contract naming the County and the Department as additional insured.

County Counsel has approved the contract as to form.

ENVIRONMENTAL DOCUMENTATION

The proposed approval of the Park Mowing Services Contract is categorically exempt from the California Environmental Quality Act (CEQA) according to Section 15301 (h) of the State CEQA Guidelines and Class 1(j) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G, because the proposed Contract consists of park mowing services of an existing facility involving negligible or no expansion of use.

CONTRACTING PROCESS

On March 18, 2013, the Department commenced the solicitation for park mowing services by posting a notice for Request For Proposals (RFP) on the County's "Doing Business with Us" website and included a link to download the solicitation package and bilingual instructions on how to contact the Department regarding this RFP. Attachment IV is a listing of Contractors who are registered for park mowing services on the Internal Services Department's website and whom received notification of this project. Prospective Contractors were additionally solicited by placing a legal ad in the San Gabriel Valley Tribune, a newspaper of general circulation on March 21, 2013.

On April 3, 2013, eight companies attended the Mandatory Proposers' Conference and Site Visit at the Whittier Narrows Recreation Area. On April 11, 2013, the Department received four proposals. The proposals were reviewed to ensure compliance with mandatory minimum requirements outlined in the RFP. All proposals having met those requirements were then evaluated by an Evaluation Committee.

The Evaluation Committee consisted of three Department employees. The Evaluation Committee reviewed each proposal for business experience and qualifications, staffing, compliance with the Living Wage Program requirements, quality control plan and the ability to accomplish the required park mowing services. Based on the evaluation of the proposals, it is recommended that the Contract for these services be awarded to the highest-rated, most responsive, and responsible proposer as recommended above.

The incumbent is Azteca Landscape. It is recommended that the Contract for these services be awarded to Oakridge Landscape Inc.

Attachment V reflects the Contractor's minority participation. It should be noted that upon final analysis and award, the Contractor was selected without regard to gender, race, creed, or color.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The award of this Contract will not infringe on the role of the County in its relationship to its residents, and the County's ability to respond to emergencies will not be impaired. In addition, the County has determined that it has alternative resources available in the event of a default. This Contract will not result in the displacement of any County personnel, as these services are currently being performed by the private sector. Therefore, there will be no negative impact to existing staff or service levels.

CONCLUSION

It is requested that two adopted copies of the action taken by your Board and two fully executed copies of the attached Contract be forwarded to the Department of Parks and Recreation.

Should you have any questions please contact Armando Ramirez at (626) 821-4653 or aramirez@parks.lacounty.gov, Kandy Hays at (626) 821-4600 or khays@parks.lacounty.gov, Vanessa Paniagua at (213) 738-2844 or vpaniagua@parks.lacounty.gov, or Kaye Michelson at (213) 738-2955 or kmichelson@parks.lacounty.gov.

Respectfully submitted,



RUSS GUINEY

Director

RG:JW:RM

KEH:CM:AR:rc

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors